



February 24, 2016

ENGROSSED HOUSE BILL No. 1312

DIGEST OF HB 1312 (Updated February 23, 2016 11:04 am - DI 109)

Citations Affected: IC 5-22.

Synopsis: Veteran business enterprises. Defines "veteran", for the purpose of qualifying as a veteran owned small business by the Indiana department of administration, as an individual who previously: (1) served on active duty in any branch of the armed forces of the United States or their reserves, (2) the National Guard, or (3) the Indiana National Guard; and received an honorable discharge from service. Includes in the definition of "veteran" for the purpose of qualifying as a veteran owned small business by the Indiana department of administration an individual who is serving in any branch of the armed forces of the United States or their reserves, the national guard, or the Indiana National Guard. Requires that a business seeking to qualify as a small business owned and operated by veterans have current certification as a veteran owned small business by the Indiana department of administration. Removes the requirement that a veteran be a resident of Indiana for at least one year before making an offer to bid on a state contract. Provides that certain information submitted by an applicant for certification as a veteran owned small business is confidential.

Effective: July 1, 2016.

Gutwein, Price, Klinker, Macer

(SENATE SPONSORS — BOOTS, ARNOLD J)

January 12, 2016, read first time and referred to Committee on Veterans Affairs and Public Safety.

January 21, 2016, amended, reported — Do Pass.

January 26, 2016, read second time, amended, ordered engrossed.

January 27, 2016, engrossed.

January 28, 2016, read third time, passed. Yeas 95, nays 0.

SENATE ACTION

February 8, 2016, read first time and referred to Committee on Veterans Affairs & The Military.

February 23, 2016, amended, reported favorably — Do Pass.

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February 24, 2016

Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1312

A BILL FOR AN ACT to amend the Indiana Code concerning veterans.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-22-14-0.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2016]: **Sec. 0.5. As used in this chapter, "NGB-22" means the**
4 **National Guard Report of Separation form or its predecessor or**
5 **successor form.**

6 SECTION 2. IC 5-22-14-2.5 IS ADDED TO THE INDIANA CODE
7 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
8 1, 2016]: **Sec. 2.5. As used in this chapter, "veteran" means an**
9 **individual who:**

10 (1) **has previously:**

11 (A) **served on active duty in any branch of the armed**
12 **forces of the United States or their reserves, in the national**
13 **guard, or in the Indiana National Guard; and**

14 (B) **received an honorable discharge from service; or**

15 (2) **is currently serving in:**

16 (A) **any branch of the armed forces of the United States or**
17 **their reserves;**

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1 **(B) the national guard; or**

2 **(C) the Indiana National Guard.**

3 SECTION 3. IC 5-22-14-3.5, AS ADDED BY P.L.90-2013,
4 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2016]: Sec. 3.5. (a) A business qualifies as a small business
6 for purposes of this chapter if the business is an Indiana small business
7 concern owned and controlled by veterans, as defined in 15 U.S.C.
8 632(q)(3) as in effect January 1, 2013, **or is an Indiana small business**
9 **owned and operated by veterans (as defined in section 2.5 of this**
10 **chapter)** and the business:

11 (1) has:

12 **(A)** a current verification as a veteran owned small business
13 concern under 38 CFR 74, et seq., by the Center of Veterans
14 Enterprise of the United States Department of Veterans
15 Affairs; **or**

16 **(B) a current certification as a veteran owned small**
17 **business by the Indiana department of administration;**

18 (2) is owned and controlled by one (1) or more veterans ~~who have~~
19 ~~been residents of Indiana for at least one (1) year before making~~
20 ~~an offer~~ or, in the case of a corporation, have at least fifty-one
21 percent (51%) of the corporation's stock owned by one (1) or
22 more veterans; ~~who have been residents of Indiana for at least one~~
23 ~~(1) year before making an offer;~~ and

24 (3) has its principal place of business located in Indiana.

25 (b) The Indiana economic development corporation may assist the
26 Indiana department of administration in doing any of the following:

27 (1) Compiling and maintaining a comprehensive list of veteran
28 owned small businesses.

29 (2) Assisting veteran owned small businesses in complying with
30 the procedures for bidding on state contracts.

31 (3) Examining requests from the Indiana department of
32 administration for the purchase of supplies or services to help
33 determine which purchases may be consistent with the goal
34 described in section 11(a) of this chapter.

35 (4) Simplifying specifications and contract terms to increase the
36 opportunities for veteran owned small businesses to participate in
37 state contracts.

38 (c) The Indiana economic development corporation, in consultation
39 with the Indiana department of administration, may develop programs
40 to encourage cities, counties, towns, townships, and private businesses
41 to adopt the goal for contracts with veteran owned small businesses
42 described in section 11(a) of this chapter.



(d) For purposes of this chapter, information submitted by an applicant for certification as a veteran owned small business that contains:

- (1) personal financial information; or
 - (2) confidential business information;
- is confidential.

(e) For purposes of this chapter, the following forms submitted by an applicant for certification as a veteran owned small business are confidential:

- (1) DD 214 (as defined in IC 10-17-15-1).
- (2) NGB-22 (as defined in section 0.5 of this chapter).
- (3) All forms submitted to verify current military or naval service status.

SECTION 4. IC 5-22-14-11, AS AMENDED BY P.L.53-2014, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 11. (a) The Indiana department of administration shall adopt rules under IC 4-22-2 to do the following:

- (1) Increase contracting opportunities for Indiana veteran owned small businesses described in section 3.5 of this chapter with a goal to procure in each state fiscal year at least three percent (3%) of state contracts with Indiana veteran owned small businesses.
- (2) Develop procurement policies and procedures to accomplish the goal described in subdivision (1), including guidelines to be followed by the Indiana department of administration in conducting the department's procurement efforts.

(3) Implement IC 5-22-14-3.5.

These procurement policies do not apply to a procurement of supplies and services to address immediate and serious government needs at a time of emergency, including a threat to the public health, welfare, or safety that may arise by reason of floods, epidemics, riots, acts of terrorism, major power failures, a threat proclaimed by the President of the United States or the governor, or a threat declared by the commissioner of the Indiana department of administration.

(b) The Indiana department of administration shall annually evaluate its progress in meeting the goal described in this section for the previous state fiscal year. Beginning in 2014, after June 30 and before November 1 of each year, the Indiana department of administration shall submit a report to the governor, the Indiana department of veterans' affairs, and the interim study committee on public safety and military affairs established by IC 2-5-1.3-4 and the legislative council in an electronic format under IC 5-14-6. The report must include:



- 1 (1) the percentage goal obtained by the Indiana department of
- 2 administration during the previous state fiscal year; and
- 3 (2) a summary of why the Indiana department of administration
- 4 failed to meet the goal and what actions are being taken by the
- 5 Indiana department of administration to meet the goal in the
- 6 current state fiscal year.
- 7 (c) The Indiana department of administration shall post the report
- 8 described in subsection (b) on the department's Internet web site not
- 9 later than thirty (30) days after the report is submitted. The Indiana
- 10 department of veterans' affairs shall post the report described in
- 11 subsection (b) on the department's Internet web site not later than thirty
- 12 (30) days after the report is submitted by the Indiana department of
- 13 administration.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Veterans Affairs and Public Safety, to which was referred House Bill 1312, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 9, delete "who:" and insert **"who is serving in the reserves of the United States military, national guard, or Indiana National Guard or who:"**.

and when so amended that said bill do pass.

(Reference is to HB 1312 as introduced.)

FRYE R

Committee Vote: yeas 10, nays 0.

 HOUSE MOTION

Mr. Speaker: I move that House Bill 1312 be amended to read as follows:

Page 1, line 9, delete "who is serving in the reserves of the United States" and insert **"who:**

(1) has previously:

(A) served on active duty in any branch of the armed forces of the United States or their reserves, or in the Indiana National Guard; and

(B) received an honorable discharge from service; or

(2) is currently serving in:

(A) any branch of the armed forces of the United States or their reserves;

(B) the national guard; or

(C) the Indiana National Guard."

Page 1, delete lines 10 through 15.

(Reference is to HB 1312 as printed January 22, 2016.)

GUTWEIN



COMMITTEE REPORT

Madam President: The Senate Committee on Veterans Affairs and The Military, to which was referred House Bill No. 1312, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 12, after "reserves," insert "**in the national guard,**".

Page 2, run in lines 7 through 8.

Page 2, line 12, delete "(A)" and insert "**(A)**".

Page 2, line 16, after "(B)" insert "**a**".

Page 2, line 18, strike "who have".

Page 2, strike line 19.

Page 2, line 20, strike "an offer".

Page 2, line 22, after "veterans" insert ";;".

Page 2, line 22, strike "who have been residents of Indiana for at least one".

Page 2, line 23, strike "(1) year before making an offer;".

Page 3, between lines 11 and 12, begin a new line block indented and insert:

"(3) All forms submitted to verify current military or naval service status."

and when so amended that said bill do pass.

(Reference is to HB 1312 as reprinted January 27, 2016.)

BANKS, Chairperson

Committee Vote: Yeas 8, Nays 0.

